

**VENDOR USE FUEL TAX RETURN**

<b>DUE ON OR BEFORE</b>	
[ FOID ]	YOUR ACCOUNT NO.

BOARD OF EQUALIZATION  
FUEL TAXES DIVISION  
PO BOX 942879  
SACRAMENTO CA 94279-6169

BOARD USE ONLY		
RA-B/A	AUD	REG
RR-QS	FILE	REF
EFF		

**READ INSTRUCTIONS  
BEFORE PREPARING**

**REPORT WHOLE UNITS/GALLONS ONLY**

		A COMPRESSED NATURAL GAS	B LPG & LIQUID NATURAL GAS	C ALCOHOL FUELS	D KEROSENE, DISTILLATE & STOVE OIL
1. Total gallons and/or units of fuel sold and delivered into fuel tanks of motor vehicles	1.				
2. Fuel sold to the United States Government	2.				
3. Fuel sold to users of LPG, LNG, and CNG whose vehicles have flat rate Identification decal affixed	3.				
4. Other nontaxable fuel included in line 1 <i>(enter from Schedule A)</i>	4.				
5. Total deductions <i>(add lines 2, 3, and 4)</i>	5.				
6. Taxable fuel <i>(subtract line 5 from line 1)</i>	6.				
7. Tax rate per unit/gallon on use fuel	7.	\$	\$	\$	\$
8. Tax <i>(multiply line 6 by line 7)</i>	8.	\$	\$	\$	\$
9. Combined total tax <i>(add Columns A, B, C, and D of line 8)</i>	9.	\$			
10. Tax credit on bad debt losses <i>(enter from Schedule B)</i>	10.	\$			
11. Balance of tax <i>(subtract line 10 from line 9)</i>	11.	\$			
12. Tax recoveries on bad debt losses <i>(enter from Schedule C)</i>	12.	\$			
13. Total tax due <i>(add lines 11 and 12)</i>	13.	\$			
14. Penalty <i>[multiply line 13 by 10% (.10) if payment is made after the due date shown above]</i>	14.			PENALTY	\$
15. INTEREST: One month's interest is due on tax for each month or fraction of a month that payment is delayed after the due date. The adjusted monthly interest rate is	15.			INTEREST	\$
16. TOTAL AMOUNT DUE AND PAYABLE <i>(add lines 13, 14 and 15)</i>	16.	\$			

*I hereby certify that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.*

YOUR SIGNATURE AND TITLE	TELEPHONE NUMBER	DATE
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MAKE CHECK OR MONEY ORDER PAYABLE TO STATE BOARD OF EQUALIZATION.  
Always write your account number on your check or money order. Make a copy of this document for your records.

**SCHEDULE A - SALES TO USERS AUTHORIZED TO PURCHASE EX-TAX FUEL UNDER REGULATIONS 1319 AND 1320**

USER'S PERMIT NUMBER	USER'S NAME AND ADDRESS	COMPRESSED NATURAL GAS (Units)	LPG & LIQUID NATURAL GAS (Gallons)	ALCOHOL FUELS (Gallons)	KEROSENE, DISTILLATE & STOVE OILS
TOTAL (enter on line 4 of return)					

**SCHEDULE B - TAX CREDIT ON BAD DEBT LOSSES**

DATE OF SALE MO/YR	USER'S PERMIT NUMBER	USER'S NAME & ADDRESS	GALLONS OR UNITS	AMOUNT OF DELINQUENT TAX
				\$
				\$
				\$
TOTAL (enter on line 10 of return)				\$

**SCHEDULE C - TAX RECOVERIES ON BAD DEBT LOSSES** [Attach pink copy of Notice of Worthless Account (Bad Debts) (Form BOE-120)]

USER'S PERMIT NUMBER	USER'S NAME	USER'S ADDRESS	AMOUNT OF TAX RECOVERED
			\$
			\$
			\$
TOTAL (enter on line 12 of return)			\$

**SCHEDULE D - DELINQUENT OR UNCOLLECTABLE ACCOUNTS** [Attach the blue and yellow copies of Notice of Worthless Account (Bad Debts) (Form BOE-120)]

DATE OF SALE MO/YR	USER'S PERMIT NUMBER	USER'S NAME & ADDRESS	GALLONS OR UNITS	AMOUNT OF DELINQUENT TAX
				\$
				\$
				\$
				\$

# INSTRUCTIONS

## VENDOR USE FUEL TAX RETURN

### GENERAL INFORMATION

Fuel vendors must file this return to report sales of the following types of fuels (when sold and delivered into the fuel tanks of motor vehicles):

- Compressed natural gas (CNG)
- Liquefied Petroleum Gas (LPG) and Liquid Natural Gas (LNG)
- Alcohol fuels containing not more than 15% gasoline or diesel fuel (e.g., ethanol and methanol)
- Kerosene, distillate, and stove oil
- Any fuel used or suitable for use in a motor vehicle, other than fuel subject to the diesel fuel tax or the motor vehicle fuel license tax (e.g., gasoline and blended fuels with more than 15% gasoline are subject to the motor vehicle fuel license tax and not to use fuel tax)

### TAX LIABILITY

Fuel vendors who sell and deliver the fuels described above into the tanks of motor vehicles must collect and report use fuel tax for such sales (note exemption below). Vendors must also provide purchasers (users) with a receipt for each sale. The receipt must show the name and address of the user (the sales invoice when paid constitutes a receipt).

**Exemption:** Vendors are not required to collect use fuel tax for sales of compressed natural gas, liquefied petroleum gas, or liquid natural gas if the user's vehicle has a current Board of Equalization exemption sticker affixed. The sticker specifies the type of fuel that is exempt from tax (only the fuel specified on the sticker is exempt for that vehicle).

### FILING REQUIREMENTS

Vendors must file returns. The return and tax payment is due on the last day of the month following the end of the reporting period. Payments should be made payable to the State Board of Equalization.

#### Step 1: Complete Appropriate Schedules

You must first complete the applicable schedules printed on the back of the return. Information from these schedules is used to complete parts of the return.

- **Schedule A - Sales to Users Authorized to Purchase Ex-Tax Fuel under Regulations 1319 and 1320**

Use this schedule to report sales of fuel for which you did not collect use fuel tax (fuel sold and delivered into the fuel tanks of motor vehicles with a valid Board of Equalization exemption certificate).

- **Schedule B - Tax Credit on Bad Debt Losses.**

Use this schedule to report any amount of tax that you have been unable to collect from users. The credit should be taken on the return for the period the account is charged off for income tax purposes. Vendors using the reserve method to account for bad debts should take the credit on the return for the period in which the account was charged against the reserve. To claim this credit you must have reported and paid the tax on a return filed by you with the Board and you must have filed form BOE-120 Notice of Worthless Account (refer to Schedule D), and have written off the account as a bad debt for income tax purposes. You can claim a credit only for the amount of tax that applies to the unpaid portion of the account.

- **Schedule C - Tax Recoveries on Bad Debt Losses**

Use this schedule to report recoveries of delinquent tax payments for users (accounts previously reported on Schedule B as bad debt losses). The tax collected must be included in the return due for the period in which the collection is made. When an account of the purchaser is no longer delinquent or amounts remaining unpaid for over 60 days have been cleared and the vendor is satisfied that the remainder of the account will be paid, the vendor should complete the pink copy of the Notice of Worthless Account (Bad Debts) BOE-120 by indicating the payment received. **No tax credit is allowable for any portion of a debt recovered that is retained by or paid to any person as compensation for services or expenses in collecting the account.**

- **Schedule D - Delinquent Accounts**

Use this schedule to report any amounts unpaid arising from the sale of fuel or delinquent accounts on which you have been unable to collect payment. For each delinquent account you must complete a **Notice of Worthless Account (Bad Debts) (BT-120)**. Retain the pink and white copies for your records. Attach the blue and yellow copies to the return. In order to properly report all delinquent accounts you need to complete a BOE-120 form within 90 days of the calendar month that the sale took place. For example, if you sold 100 gallons of fuel on 1/15/99, you would have until the end of the April 1999 tax return period to claim this account as delinquent and submit a BOE-120 form. Failure to claim this as a delinquent account in a timely fashion will constitute a waiver of the credit that might otherwise be allowable as explained in Regulation 1331.6.

**Step 2: Complete Return**

**Note: gallons vs. units.** Fuel transactions are reported in terms of gallons, except for compressed natural gas (CNG), which is reported as units. For tax reporting purposes, 100 cubic feet of natural gas measured at standard pressure and temperature (14.73 pounds per square inch at 60 degrees Fahrenheit) will be shown as one unit.

- Line 1.** Enter the total gallons of fuel (or units of CNG) sold and delivered into the fuel tanks of motor vehicles during the reporting period.
- Line 2.** Enter the total gallons of fuel (or units of CNG) sold to the U.S. Government and delivered by you into the tanks of vehicles owned or operated by the U.S. Government.
- Line 3.** Enter the total gallons of fuel (or units of CNG) sold and delivered into the tanks of motor vehicles that have a current Board of Equalization Use Fuel Flat Rate Identification Decal (Form BOE-511).
- Line 4.** From Schedule A, enter the total gallons of fuel (or units of CNG) sold and delivered into the fuel tanks of motor vehicles of persons from whom you have obtained certificates indicating they have been authorized by the Board to purchase fuel without payment of use fuel tax, as provided for under Use Fuel Tax Regulation 1319 or 1320.
- Line 5.** Add lines 2 through 4.
- Line 6.** Subtract line 5 from line 1.
- Line 7.** Tax rate on use fuel.
- Line 8.** For each column, multiply the tax rate on line 7 times the amount shown on line 6 and enter the result for each column.
- Line 9.** Enter the total for Columns A, B, C, and D of line 8.
- Line 10.** From Schedule B, enter the total amount of tax due for accounts that you have written off as bad debt losses (see Schedule B instructions).
- Line 11.** Subtract line 10 from line 9.
- Line 12.** From Schedule C, enter the total amount of tax collected for accounts that you had previously written off as bad debt losses (see Schedule C instructions).
- Line 13.** Add lines 11 and 12.
- Line 14.** If your tax is being paid after the due date shown on the front of this return, additional amounts are due for penalty and interest charges. The penalty is 10% (.10) of the amount of tax owing. The interest rate is noted on line 15 on the front of this form and applies for each month or portion of a month after the due date.
- and 15.**
- Line 16.** Enter the total amount due and payable, including any applicable late charges.